General Review of Quotas, Over-due Financial Obligations to the Fund and the Question of SDR allocations.

The Development Committee (Joint Ministerial Committee) of the Board of Governors of the Bank and the Fund also held its meeting at Washington on April 4, 1989. The Committee discussed issues relating to structural adjustment, development prospect in developing industrial countries and the progress on initiatives intended to benefit sub-Saharan countries. It also considered reports on recent developments in international trade, trends in the transfer of resources to developing countries and the status of negotiations for the ninth replenishment of IDA.

The conclusions reached at the meetings of the interim Committee and the Development Committee are set out in the form of Press Communiques, which are enclosed. [*See* Appendix CI. Annexure No. 18].

(b) to (d) There is no proposal under Govt's consideration for seeking a loan from the IMF.

Search operations at the premises of diamond dealers in Bombay by Income Tax Department

447. SHRI JAGESH DESAI:
SHRI RAOOF VALIULLAH:

Will the Minister of FINANCE be pleased to state:

(a) which are the places in Bombay where survey and search operations were recently conducted at the premises of diamond traders and those connected with the diamond industry;

(b) how many complaints for harrassment were received from these people;

(c) what is the outcome of these operations; and

(d) whether it is a fact that the Commissioner of Income Tax apologised for this harrassment and what action is being taken againt those officials who were found to be involved in such incidents of harrassment?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) The Income-Tax Department has not conducted any searches recently, at the premises of diamond traders at Bombay. However, searches were conducted at the premises of five Angadias on the 22nd February, 1989, at Bombay. As a follow-up of these searches on five Angadias, surveys were conducted in Bombay, at the premises of eight diamond dealers. Besides these, surveys were also carried out in February—March, 1989 at the premies of 20 diamond labour contractors.

(b) A few representations have been received from certain associations of the diamond trade.

(c) During the searches, diamonds worth Rs. 11 crores were found and out of these, diamonds worth Rs. 2.01 crores were seized. Cash of Rs. 1045 lakhs was also seized. The searches and the subsequent surveys resulted in admission of unaccounted income exceeding Rs. 1 crore by various persons including Angadias, diamond traders and diamond labour contractors. As a result of the surveys, it was found that certain persons shown as 'Labour Contractors' did not exist at the addresses provided in their bills.

(b) No apology has been tendered by any Commissioner of Income-tax for the alleged harrassment. The question of taking action against any departmental official in this regard, does not arise.

Security belt on Indo-Pak Border

448. SHRI SUBAS MOHANTY: Will the Minister of HOME AFFAIRS be pleased to state the progress made so far in regard to the proposal to create a security belt on the Indo-Pak Border to check the smuggling and unauthorised entry in both the countries?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): A proposal in this